

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 11/5/2013	(3) CONTACT/PHONE Courtney Howard, Senior Water Resources Engineer (805) 781-1016	
(4) SUBJECT Request to approve funding agreements advancing reimbursements anticipated pursuant to a California Department of Water Resources Integrated Regional Water Management Planning Grant to participating agencies. All Districts.			
(5) RECOMMENDED ACTION It is our recommendation that your Honorable Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District): 1. Approve and execute the attached revised grant sub-agreements (Funding Agreements) with the Upper Salinas Las Tablas Resource Conservation District (US-LT RCD) and the Coastal San Luis Resource Conservation District (CSL RCD) in the amount of \$125,000 each for preparation of watershed plans and inclusion in the San Luis Obispo County Integrated Regional Water Management (IRWM) Plan; and 2. Authorize the Public Works Director to approve Funding Agreement Amendments that would shift the reimbursements provided for under these Funding Agreements from one RCD to the other.			
(6) FUNDING SOURCE(S) Flood Control General	(7) CURRENT YEAR FINANCIAL IMPACT \$250,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 3/26/13; C-21	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts -			

Reference: 13NOV05-C-4

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Courtney Howard, Senior Water Resources Engineer
Carolyn Berg, Staff Water Resources Engineer

VIA: Dean Benedix, Utilities Division Manager

DATE: 11/5/2013

SUBJECT: Request to approve funding agreements advancing reimbursements anticipated pursuant to a California Department of Water Resources Integrated Regional Water Management Planning Grant to participating agencies. All Districts.

RECOMMENDATION

It is our recommendation that your Honorable Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District (District):

1. Approve and execute the attached revised grant sub-agreements (Funding Agreements) with the Upper Salinas Las Tablas Resource Conservation District (US-LT RCD) and the Coastal San Luis Resource Conservation District (CSL RCD) in the amount of \$125,000 each for preparation of watershed plans and inclusion in the San Luis Obispo County Integrated Regional Water Management (IRWM) Plan; and
2. Authorize the Public Works Director to approve Funding Agreement Amendments that would shift the reimbursements provided for under these Funding Agreements from one RCD to the other.

DISCUSSION

Senate Bill 1672 established the IRWM Act in 2002 to promote collaborative, integrated management of water resources. California voters passed a series of propositions establishing funding for the program and authorizing the Legislature to appropriate grants for IRWM plans and projects. The IRWM program is administered by the State Department of Water Resources (DWR).

The District, in coordination with local agencies and stakeholders, was successful in obtaining a \$10.4 million implementation grant for the Los Osos Wastewater Project (\$5.9M), Nipomo Supplemental Water Project (\$2.2M), and the District's Zone 1/1A Arroyo Grande Creek Waterway Management Program-Mod 3C Project (\$2.2M). This funding is contingent upon finalizing and adopting the San Luis Obispo County Regional IRWM Plan by June 2014 pursuant to the 2012 DWR Guidelines.

On February 7, 2013, the District also received a \$1.0 million planning grant funding commitment letter from DWR (Attachment "A") to fund the required IRWM Plan update. Work efforts include watershed management plans that are being prepared by the US-LT RCD and the CSL RCD. The objective of the watershed plans is to develop a methodology to evaluate watershed concerns, inventory available data, develop a methodology to estimate in-stream flow needs, and outline a prioritization process for protection/ restoration efforts among the region's watersheds. The scope of work addresses the DWR 2012 requirements for the updated IRWM Plan.

On March 26, 2013, your Board authorized the Public Works Director to execute sub-grant agreements ("Funding Agreements") with the participating agencies, including agreements with the RCDs, in order to utilize the DWR planning grant and assign the responsibility for complying with grant requirements to the participating agencies.

At this time the RCD's have completed a portion of the watershed planning efforts. The \$1.0 million planning grant from DWR has, however, not yet been received from DWR in its final form for execution. Staff expects to receive the planning grant agreement from DWR for signature in November 2013. Continued delays are impairing the fiscal ability of the RCD's to continue the watershed planning efforts to meet DWR deadlines for the IRWM Plan update unless the Flood Control District can advance funds. As a result of these timing issues, staff is requesting your Board authorize the Public Works Director to execute revised Funding Agreements with the RCDs to allow the District to provide advance reimbursement to the RCDs. The District would then receive reimbursement for the advance reimbursement directly from DWR. Staff is also requesting your Board authorize the Public Works Director to sign amendments to the Funding Agreements that would allow funding to shift from one RCD to the other, if needed.

OTHER AGENCY INVOLVEMENT/IMPACT

The State agency responsible for executing IRWM Grant Agreements is DWR.

County Counsel has reviewed these Funding Agreements as to legal form and effect.

The Regional Water Management Group (RWMG) coordinates local IWRM efforts via a Memorandum of Understanding (MOU) between the District and 22 other local agencies. The Water Resources Advisory Committee (WRAC) continues to provide review and recommendations on IRWM planning and implementation efforts.

FINANCIAL CONSIDERATIONS

The District has provided an initial advance reimbursement to the RCD's via purchase orders in the amount of \$93,091.56. In order to provide the full \$125,000 advance reimbursement to both the US-LT RCD and CSL RCD your Board's approval of the recommended actions is needed.

The Planning Grant funding award is \$1,000,000 with \$250,000 designated for watershed management planning efforts. Funding for the Planning Grant is included in the FY 2013-2014 budget and therefore a budget adjustment is not needed at this time.

RESULTS

Authorizing the Public Works Director of San Luis Obispo County to execute grant Funding Agreements with participating agencies will facilitate grant administration efforts, and provide grant funding for high priority water resources projects identified in the San Luis Obispo County Regional IRWM Plan. Therefore, approving the recommendations will contribute to a safe, healthy, livable, prosperous and well-governed community.

File: CF 900.36.01

Reference: 13NOV05-C-4

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ATTACHMENTS

1. Attachment A - Department of Water Resources Letter of Commitment
2. Funding Agreement between the San Luis Obispo County Flood Control and Water Conservation District and Coastal San Luis Resource Conservation District Integrated Regional Water Management Planning Grant California Public Resources Code 75026 Et Seq.
3. Funding Agreement between the San Luis Obispo County Flood Control and Water Conservation District and the Upper Salinas - Las Tablas Resource Conservation District Integrated Regional Water Management Planning Grant CA Public Resources Code 75026 Et Seq.